conducted searches on several business and residential premises of Shri Harshad Mehta Group of share brokers consisting of 8 individual and 8 companies. Even earlier, this group was searched on 27.9.1990 when assets worth Rs. 4.79 crores comprising of cash of Rs. 2 lakhs, jewellery of Rs. 6.02 lakhs and share scrips worth Rs. 4.71 crores were seized. The Group then made a surrender of undisclosed income of Rs. 4.25 crores u/s 132(4) of the Income-tax Act, 1961 inclusive of Rs. 3 crores for asstt. year 1991-92.

Inspite of the aforesaid surrender, when the recent search was conducted, this Group had not filed any returns of income or wealth for assessment year 1991-92 though the due dates had expired long before. Even for assessment year 1990-91, returns had been filed very late. In many cases, only negative wealth has been shown for this year.

The Group has not maintained accounts nor got them audited in accordance with provisions of Section 44AA and 44AB of the Income-tax Act, 1961.

The Search recently conducted is not yet complete. However, unaccounted cash of Rs. 20.60 lakhs and unexplained share scrips of Rs. 27.56 crores have already been seized. In the course of the search, a statement has been found with details of investment in immovable properties worth over Rs. 12 crores made during the last 2 1/2 years. The examination and analysis of the documents and the information stored in computer floppies seized in the course of search have been taken up.

Allocation of Funds for Cash Compensatory Support

4568. SHRI SUBRAMANIAN SWAMY: Will the Minister of FINANCE be pleased to refer to the answer to Unstarred Question 2707 given in the Rajya Sabha on 17th December, 1991 and state:

(a) what is the total amount made available after 17th December, 1991 to the Commerce Ministry for payment of Cash Compensatory Support and Supplementary C.C.S. in lieu of Duty Drawback;

(b) whether this amount is adequate to make all the outstanding payments;

(c) if not, what steps are being taken to clear all the outstanding payments and make funds available to the Commerce Ministry; and

(d) what are the details of steps taken by the banks and customs authorities of his Ministry to help companies facing difficulties due to lack of funds with Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHANTARAM POTDUKHE): (a) to (d) As indicated by the Finance Minister in para 36 of his Budget speech, although the subsidy was abolished on 3.7.91, the claims in the pipeline are larger than was originally anticipated. Accordingly, as supplementary demand of Rs. 610 crores stands included for product Promotion and Commodity development in the final batch of supplementaries for 1991-92 which has been passed by Parliament. Further, Rs. 480 crores is provided in the B.E. 1992-93 for this. Government are taking all possible steps to help in the early clearance of the pending claims.

Increase in excise on L.C.Vs

4569. SHRI CHIMANBHAI MEHTA:
SHRIMATI MIRA DAS:
SHRI SOM PAL:
SHRI SARADA MOHANTY:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news item appearing in Economic Times of the 12th March, 1992 regarding 4 L.C.V. makers stopping production;

(b) if so, whether Government propose to reconsider increase in excise on light commercial vehicle; and

(c) what is the total percentage increase in L.C.V. and expected higher collection from additional excise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) Yes, Sir.

(b) There is no proposal at present to reconsider the increase in excise duty in the Budget for 1992-93 on light commercial vehicles. However,

Government has restored the import duty on components of such fuel efficient vehicles on 26th March, 1992 to the level prevailing before 1st March, 1992.

(c) The increase in excise duty from 10% to 15% in the Budget for 1992-93 is estimated to yield Rs. 50 crores as additional revenue in a year.

Impact of fertilizer price on inflation

4570. SHRI CHIMANBHAI MEHTA:
SHRIMATI MIRA DAS:
SHRI SOM PAL:
SHRI SARADA MOHANTY:

Will the Minister of FINANCE be pleased to state what is the percentage increase in total inflation due to increase in the prices of fertilizer?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): The increase in total inflation as a result of the last increase in the fertilizer prices, based on its weight in the construction of the wholesale price index (Base: 1981-82=100), is 0.65 per cent.

UCO Bank finance for tobacco exporters

4571. DR. YELAMANCHILI SIVAJI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Chairman of UCO Bank, during his recent visit to Guntur, has announced to finance Rs. 100 crores for tobacco exporters;

(b) if so, what steps have been taken to fulfil the same;

(c) what is the number of traders who have approached the bank to avail this offer and how much finance have been given; and

(d) what are the guidelines in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SILNGH): (a) UCO Bank has informed that its Chairman and Managing Director, during his recent visit to Guntur, has announced that the bank will be taking up Export Finance to tobacco exporters to the extent of Rs., 100.00 crores.

(b) To fulfil the commitment, a tobacco exporters meet was organised at Guntur Branch under the aegis of the Tobacco Board, Guntur and the Bank's Branch was subsequently asked to process and send the proposals to the Head Office.

(c) Proposals from eight traders have so far been received out of which five have already been sanctioned an amount of Rs. 17.23 crores.

(d) In addition to the usual norms and conditions for sanctioning export packing credit and foreign bills purchase advances, the Banks has prescribed the following guidelines:

(i) Satisfactory opinion reports to be obtained from the existing bankers.

(ii) Health code of the borrowig companies should be 'One'.

(iii) Personal guarantee of all partners / directors to be obtained.

(iv) Stock statements to be checked by technically qualified people approved by the Tobacco Board.

(v) Books and stocks to be verified by Chartered Accountants once in a quarter.

(vi) Opinion reports on partners and guarantors to be compiled and kept on record.

(vii) Borrowing company to be registered with the Tobacco Board and RBI, and Code No. to be furnished.

(viii) Antecedents of the company to be discussed by the bank with the Tobacco Board.

(ix) The advances to be additionally secured by collateral security.

(x) Companies with proper track record and sufficient experience only to be entertained.

(xi) The UCO Bank will also finance exporters along with their existing bankers on consortium basis.